



Philadelphia Homeownership Center

U.S. Department of Housing and Urban Development

The Wanamaker Building
100 Penn Square East
Philadelphia, PA 19107-3389

CIRCULAR LETTER PH 99-04

May 10, 1999

TO: All Approved Mortgagees Doing Business in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, , Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia

FROM: Brenda M. Laroche, Director, Processing and Underwriting Division

SUBJECT: Appraiser Changes

The Philadelphia Homeownership Center has received an influx of requests to change the assigned appraiser after the appraisal has been logged. These requests appear to be arising out of situations where the appraiser initially assigned the case in FHA Connection was on vacation, the assignment was rejected because it was not in his/her area, etc., and the appraisal was assigned to another appraiser. For whatever reason however, mortgagees are failing to reassign the appraisal to the new appraiser in FHA Connection prior to logging in the appraisal data.

Often, this problem does not come to light until the case has been submitted to HUD for endorsement. The cases must then be referred to HOC staff for correction, a task which is not considered to be a high priority. Delays occur therefore, in issuing endorsements.

The failure of mortgagees to reassign the appraisal using FHA Connection has also resulted in appraisals being performed by appraisers who are not on HUD's roster, or whose licenses have expired. Had the appraisal been reassigned using FHA Connection this problem would have been detected at an early stage. Instead, it is not noticed until the case has been processed for endorsement, and results in a Notice of Rejection.

To avoid delays and Notices of Rejection, mortgagees should ensure that all appraisal reassignments are made through FHA Connection or ECHO Connection Plus prior to completing the Appraisal Logging and Insurance Endorsement screens. Actually, this change should be made as soon as possible after the reassignment has been made. Mortgagees should click on “Select Appraiser Reassignment” from the Case Processing menu, enter your originator id along with the current appraiser and the new appraiser, and click on “Send.” The screen will have been updated and you will be able to complete the Appraisal Logging Screen.

Data integrity is very important and you are responsible for the correct submission of electronic data. Many MIP refunds and MIC corrections could be avoided if data was submitted accurately. The investment of time and data quality control would save both of us many hours of time spent correcting problems.

We appreciate your cooperation in complying with these policies. If you have any questions or comments, please direct them to BRENDA_M._LAROCHE@hud.gov